

**What were  
encomiendas?**

Encomiendas were large manors or estates with Indian slaves. They were developed to reward successful conquistadores and help the conquistadors deal with labor shortages.

**What lucrative  
trade was opened  
by the French  
and the Indians?**

**The fur  
trade**

**What was the  
economic base  
of the northern  
colonies?**

1) New England:  
Shipping, shipbuilding,  
fishing, small farming 2)  
Middle Colonies:  
Farming (aka the "bread  
basket"), shipping

**What was the  
economic base  
of the southern  
colonies?**

1) Chesapeake Bay  
(Maryland, Virginia):  
Tobacco 2) North  
Carolina: Tobacco 3)  
South Carolina: Rice  
and indigo

True or False: After 1650, British authorities believed that the American colonists should have unregulated trade restrictions.

False, British authorities that American trade should be regulated for the benefit of the mother country.

Which American colonies prospered from England's mercantilistic policy?

New England--- it encouraged large-scale shipbuilding.

What three economic proposals did Alexander hamilton endorse in The Report on Public Credit to handle the economic crisis faced by the government of the US?

1) Funding of the national debt at face value 2) Federal assumption of the states' debt 3) The establishment of a national bank

Why was a protective tariff passed in 1816?

To slow the flood of cheap British manufactures in the U.S.

What two factors contributed to a postwar boom following the War of 1812?

High foreign demand for American cotton, tobacco, and grain, and the Second National Bank's overly liberal credit policies.

What major factors led to the Depression of 1819?

A major influx of British goods at cut-rate prices hurt American manufacturers.

List two reasons why the West was most severely hit by the Depression of 1819?

1) Economic dependency 2) Heavy speculation in western lands.

What were the main industries in the Northeast?

Fishing, deep-sea whaling, lumbering, and shipbuilding